

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE JOINT APPLICATION OF STM/HIGHWAY 22 )  
PARTNERSHIP, STURGEON-THORNTON-MARRETT )  
DEVELOPMENT COMPANY AND MARSHALL PLANNING ) CASE NO. 10114  
MILL, INC., FOR APPROVAL OF THE TRANSFER )  
OF NETHERTON PLACE SEWAGE TREATMENT PLANT )

O R D E R

On December 23, 1987, STM/Highway 22 Partnership ("Applicant") filed an application, pursuant to KRS 278.020(4), seeking Commission approval for the purchase of the Netherton Place Sewage Treatment Plant, owned by Marshall Planning Mill, Inc. ("Seller"). The subject sewage treatment plant ("Facility") is located on a track of undeveloped land located at Highway 22 and Simcoe Lane in eastern Jefferson County, Kentucky. The Applicant is the assignee of purchase rights of Sturgeon-Thornton-Marrett Development Company ("STM"), which contracted to purchase the land from the Seller.

The Facility has never served and does not now serve any customers. The Applicant has indicated its intent to utilize the Facility for the provision of public utility service at some future date. The Applicant has further indicated its intent to seek Commission approval before using the Facility to serve the public.

The proposed acquisition will be financed by a first mortgage loan from Liberty National Bank and Trust Company of Louisville

("Liberty"). A copy of the commitment letter between buyer and Liberty was filed as an exhibit to the buyer's application. Additionally, STM has agreed to provide financial support to the Applicant, for the operation of the Facility.<sup>1</sup>

STM presently controls, through subsidiaries, the operation of three other sewage treatment utilities in Jefferson County, Kentucky.<sup>2</sup>

The Commission believes that the proposed acquisition and transfer is in the public interest and that the Applicant, given its agreement with STM, has the financial, technical and managerial abilities to provide reasonable service, as required by KRS 278.020(4).

The Commission FINDS that the proposed transfer of the Netherton Place Sewage Treatment Plant to STM/Highway 22 Partnership should be approved.

IT IS THEREFORE ORDERED that the proposed transfer be approved.

IT IS FURTHER ORDERED that the STM/Highway 22 Partnership seek Commission approval and file a proposed tariff, pursuant to KRS 278.160, before operating the Netherton Place Sewage Treatment Plant.

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<sup>1</sup> Exhibit B to the joint application.

<sup>2</sup> Copperfield Sewage Treatment Plant; English Station Sewage Treatment Plant; Running Creek Sewage Treatment Plant.

Done at Frankfort, Kentucky, this 1st day of March, 1988.

PUBLIC SERVICE COMMISSION

Richard D. Hemenway  
Chairman

Robert M. Davis  
Vice Chairman

James M. Williams Jr.  
Commissioner

ATTEST:

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Executive Director